

1 prior to removing the customer's number from its switch. Requiring Verizon to  
2 verify with NPAC that the port was completed prior to removing the number from  
3 Verizon's switch protects the customer and fairly distributes the responsibility of  
4 protecting the consumer's dialtone between the winning carrier and the losing  
5 carrier.

6 **Q. WHAT IS INVOLVED WITH OBTAINING CONFIRMATION OF A**  
7 **PORT FROM NPAC?**  
8

9 A. NPAC does not send confirmation of port completion to either carrier. Carriers  
10 must link or query the NPAC's systems to obtain confirmation that the port  
11 successfully completed.

12 This is not a huge effort. Carriers involved in porting, including Verizon,  
13 are already linked to NPAC's systems for other aspects of the port process. Given  
14 that the link already exists, Verizon can easily configure its existing systems to  
15 query NPAC's system for conformation of the port completion.<sup>17</sup>

16 **Q. IS IT TECHNICALLY FEASIBLE FOR VERIZON TO QUERY NPAC'S**  
17 **SYSTEMS TO CONFIRM THE PORT COMPLETION?**  
18

19 A. Yes. Bell South has done it. Bell South knows in real time whether and when a  
20 port has successfully completed. Bell South does not remove the translations for  
21 a ported number from its switch unless and until it locates the NPAC confirmation  
22 of the port completion. Section 5.3.6 of Bell South LNP Reference Guide:  
23 Interconnection Services states "BellSouth LCSC does not issue the Disconnect

---

<sup>17</sup> On page 149 of Verizon's Answer, Verizon inaccurately suggested that AT&T was asking Verizon to leave all number portability orders "open-ended" by suggesting that Verizon must await notification from NPAC prior to removing the customer's telephone number from Verizon's switch. Verizon inaccurately characterizes AT&T's position. AT&T is not suggesting that Verizon leave all number porting orders "open-ended." AT&T is simply recommending that, prior to removing the translations for the customer's number from the switch on the scheduled due date, Verizon contact NPAC's database to confirm that the port was in fact successful.

1 service order until notification of CLC Activate SV is received from NPAC for all  
2 TNs on the LSR. This is done to avoid disruption to end-user service.” Verizon  
3 should do the same to protect customers’ dialtone.

4 **Q. IS IT ENOUGH TO RELY ON THE LSR AND TO USE THE**  
5 **SCHEDULED DUE DATE AS THE DATE ON WHICH THE**  
6 **TRANSLATIONS FOR THE PORTED NUMBER ARE REMOVED?**

7  
8 A. No. In its Answer, Verizon points to the Local Service Request (“LSR”) which  
9 the CLEC sends to Verizon as the authorization for Verizon to remove the  
10 customer’s number from its switch on the due date.<sup>18</sup> Verizon misses the point.  
11 The LSR contains the dates on which both Verizon and the CLEC will perform  
12 the work, presuming that all goes as planned. However, even Verizon  
13 acknowledges that the best laid plans sometimes go awry:

14 If the work cannot proceed as agreed upon, the party that needs to  
15 reschedule or cancel the requested work is obligated to contact the  
16 other party with the appropriate documentation, a supplemental  
17 LSR. This provides a documented communication for any  
18 changes in the work request.

19  
20 **Q. IS THE SUPPLEMENTAL LSR PROCESS ADEQUATE TO PROTECT A**  
21 **CUSTOMER’S DIALTONE IN THE EVENT THAT A PORT CANNOT BE**  
22 **COMPLETED ON THE ORIGINALLY AGREED UPON DUE DATE?**

23  
24 A. No. Consider this example. Both AT&T and Verizon have done all of the  
25 advance work that they need to do to transfer service from Verizon to AT&T.  
26 However, on the scheduled due date, the AT&T technician arrives at the  
27 customer’s door at the scheduled afternoon appointment and the customer tells  
28 AT&T that he has changed his mind. He wants to remain with Verizon. Under  
29 Verizon’s construct, AT&T would have to submit a supplemental LSR and walk

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<sup>18</sup> See Exhibit A to Verizon’s Answer, filed May 31, 2001, at 149.

1 it through Verizon's systems to ensure that the translations for the customer's  
2 number were not removed as scheduled at 11:59 that night, less than 12 hours  
3 away.

4 **Q. WHEN A CUSTOMER LEAVES AT&T TO RETURN TO VERIZON,**  
5 **DOES AT&T OBTAIN CONFIRMATION FROM NPAC PRIOR TO**  
6 **REMOVING A PORTED NUMBER FROM ITS OWN SWITCH?**

7  
8 A. Yes. AT&T adheres to this basic customer protection measure today. Under  
9 AT&T's current procedures, AT&T does not disconnect the translations for  
10 ported numbers until one day after the due date, and AT&T only disconnects the  
11 translations upon obtaining confirmation from NPAC that the port was successful.  
12 For example, if AT&T agreed to port a number on Monday, AT&T would search  
13 NPAC's systems to verify that the port was successful on Tuesday. Once AT&T  
14 has found the NPAC confirmation of the port, AT&T will disconnect the ported  
15 number in the switch. AT&T's procedures are designed to protect the end user  
16 customer from any possible loss of dialtone.<sup>19</sup>

17 In fact, AT&T's practices provide a significant degree of protection to  
18 Verizon's customers. During June 2001, Verizon – Pennsylvania ported 232 lines  
19 from AT&T to Verizon, 32 of them *after* the scheduled due date. If AT&T  
20 followed Verizon's practices and did not verify with NPAC that the port had not  
21 completed, these customers could very well have been without dialtone on the  
22 scheduled port date.

---

<sup>19</sup> This reciprocal treatment may not seem important to Verizon today because it retains virtually all of the local customers in Virginia, but it will become more valuable to Verizon if Verizon begins to port more customers from AT&T back to Verizon.

**Issue V.7. Should Verizon Commit To Specific Intervals For Local Number Portability Provisioning For Larger Customers?**

**Q. HAS AT&T PROPOSED SPECIFIC INTERVALS FOR LNP LOCAL SERVICE REQUESTS FOR LARGE QUANTITIES OR NUMBERS?**

**A.** Yes, AT&T has proposed specific service intervals for all types of orders, small and large. For smaller orders, *i.e.*, standalone LNP orders for residential customers, AT&T proposes that porting be completed within three-calendar days. For larger orders, *i.e.*, all business orders, AT&T proposes a maximum porting interval of up to five-calendar days.

**Q. WHAT DOES VERIZON PROPOSE?**

**A.** For small orders, Verizon proposes a 3-4 day porting interval. For orders porting between 101 and 200 lines, Verizon proposes a 5 day porting interval. For any order over 200 lines, Verizon is unwilling to propose any interval at all, only that the interval be “negotiated.”<sup>20</sup> The problem, of course, is that Verizon has no incentive to “negotiate” any sort of reasonable interval that will port customers away from Verizon. Thus, Verizon’s proposal is unreasonable on its face.

These Verizon porting intervals are listed in the Verizon CLEC Handbook, Volume 3, Section 5.<sup>21</sup> These intervals do not include the FOC interval, the 24-hour period within which Verizon needs to send a FOC to the

<sup>20</sup> In Verizon’s Product Interval Guide, Verizon explains that the “term ‘negotiated’ refers to the Internal/VZ negotiating done within various provisioning organizations.” See [http://www.bell-atl.com/wholesale/html/xls/interval\\_une1200\\_r\\_1.xls](http://www.bell-atl.com/wholesale/html/xls/interval_une1200_r_1.xls). There is no “negotiating” with AT&T. Verizon negotiates internally to determine when it will be able to meet AT&T’s order and then informs AT&T of the due date.

<sup>21</sup> [http://www.bellatlantic.com/wholesale/html/handbooks/clec/volume\\_3/c3s5\\_1.htm](http://www.bellatlantic.com/wholesale/html/handbooks/clec/volume_3/c3s5_1.htm)

1 CLEC responding to the CLEC's Local Service Request and confirming the port  
2 date.

3 **LNP without unbundled Loops**

1-50 lines	3 business days
51-100 lines	4 business days
101-200	5 business days
Over 200 lines	Negotiated interval

4

5 **Q. WHY DOES AT&T NEED ESTABLISHED INTERVALS FOR PORTING**  
6 **NUMBERS FOR OVER 200 LINES?**

7

8 **A.** AT&T needs predictability in the LNP provisioning process in order to effectively  
9 market its services. For example, when marketing services to a potential  
10 customer, absent known intervals, AT&T cannot provide that customer any  
11 indication of when its service will be provisioned. Having to convince the  
12 customer to sign up for service, while being unable to tell the customer a  
13 predictable timeframe for provisioning of such service, puts AT&T at a distinct  
14 competitive disadvantage to Verizon, which can inform the customer of a  
15 confirmed due date within seconds of placing the customer's order. During the  
16 sales process, AT&T needs to be able to give the customer information regarding  
17 the length of time it will take to provision service and expectation of when the  
18 task will be completed. In other words, AT&T views these intervals as an  
19 important "rule of thumb" that AT&T can rely upon when marketing service to its  
20 customers.

1           Moreover, when AT&T is porting more than 200 lines for one customer,  
2           that customer is virtually always going to be a sophisticated – and demanding --  
3           business customer. AT&T needs to be able to quote and to rely upon defined  
4           intervals. “We’ll get back to you” is not what the customer wants to hear.

5  
6   **Q.   WHY ARE THE INTERVALS AT&T HAS PROPOSED REASONABLE?**

7   **A.**   Porting numbers requires minimal physical work. (See discussion above)  
8           Nevertheless, Verizon typically asserts “force and load” constraints, complaining  
9           that if there are too many large work orders in the same short period of time,  
10          Verizon may not have the resources to meet the interval for all of the orders. But  
11          given the relatively simple process of porting numbers, “force and load”  
12          complaints are not a material factor in determining the number of lines which  
13          require a negotiated interval nor should they be a material factor in determining  
14          the amount of time needed to port the 200+ lines. In fact, AT&T’s provisioning  
15          centers, which work with Verizon’s operations groups during LNP cut-overs, are  
16          able to process blocks of numbers as readily as they can process individual  
17          number orders.

18  
19   **Q.   DOES VERIZON PROCESS SIMILAR WORK FOR ITSELF WITHIN**  
20   **SIMILAR INTERVALS?**

21  
22   **A.**   Yes. When Verizon regrades Plain Old Telephone Service (“POTS”), it typically  
23          performs systems and software work that does not require either the dispatch of a  
24          technician or the installation or rearrangement of facilities. In that regard, the

1 work effort involved with regrading POTS is similar to the work effort involved  
2 with porting telephone numbers without hot cuts.<sup>22</sup>

3 According to Verizon's Single Source Interval Document, Verizon  
4 regrades POTS service for all orders in excess of 50 lines within the established  
5 interval of **BEGIN VZ-VA PROPRIETARY [REDACTED] END VZ-VA**  
6 **PROPRIETARY**.<sup>23</sup> Interestingly, this established interval apparently applies for  
7 regrades of more than 50 lines, whether it be 51 lines or 5000 lines. If Verizon  
8 can do regrades for more than 50 POTS lines in that established interval, they can  
9 certainly perform the systems and software work needed to port over 200 lines,  
10 without hot cuts, within an established five day interval.

11 **Q. HOW WOULD AT&T REFLECT THIS REQUIREMENT IN THE**  
12 **INTERCONNECTION AGREEMENT?**

13  
14 A. By adding the following language:

15 The carrier from which a telephone number is being ported shall,  
16 upon receipt of a valid LSR, be able to meet a three (3) calendar  
17 day maximum porting interval for all residential customers and a  
18 five (5) calendar day maximum porting interval for all business  
19 customers. The ported to carrier may, at its sole discretion, request  
20 a due date of greater than the aforementioned time frames for a  
21 specific customer.

22  
23 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

24  
25 A. Yes, it does.

---

<sup>22</sup> While porting numbers does involve coordination between the CLEC, the ILEC and Number Portability Administration Center ("NPAC"), the need for coordination does not increase the amount of work effort Verizon must do to port a number. Regardless of the need for coordination, Verizon need only make systems and software changes, without dispatching technicians or installing or rearranging facilities.

<sup>23</sup> See VZ-VA Single Source Interval Document, attached hereto as Exhibit 2, at 2.

I, William J. Solis hereby swear and affirm that the foregoing direct testimony was prepared by me or under my direct supervision or control and is true and accurate to the best of my knowledge and belief.

Signed: William J. Solis

\_\_\_\_\_  
Witness

State : COLORADO  
County : ARAPAHOE

I, Laurie E. Griffin do hereby swear and affirm that \_\_\_\_\_  
William J. Solis appeared before me this 27 day of July, 2001.

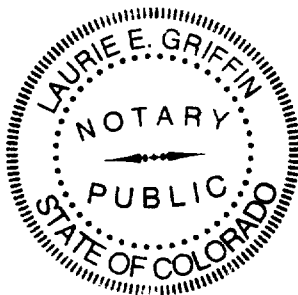
Signed:

Laurie E. Griffin  
Notary

Notary Qualification Expires:

**MY COMMISSION EXPIRES 7/24/2002**

[Stamp or Seal]





Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of	)	
Petition of AT&T Communications of	)	
Virginia Inc., Pursuant to Section 252(e)(5)	)	CC Docket No. 00-251
of the Communications Act for Preemption	)	
of the Jurisdiction of the Virginia	)	
Corporation Commission Regarding	)	
Interconnection Disputes With Verizon	)	
Virginia Inc.	)	

**EXHIBIT 1 TO DIRECT TESTIMONY OF WILLIAM SOLIS**

ITEM: AT&T 1-39    Detail the off-hours and weekend technical support Verizon currently provides for these different classes of customers:

- (a) residential end users
- (b) small business customers
- (c) large business customers

REPLY:                    Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

For residential, small business and large business customers Verizon provides maintenance and repair technical support during non-business hours. See also Verizon Virginia's response to Request 43.

VZ VA #39

ITEM: AT&T 1-40 Describe the process by which Verizon ceases billing to a customer when a customer has ported his telephone number over to a CLEC.

REPLY: Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

The bill cease date is the date the Verizon order is due dated. The due date is the disconnect date confirmed with the requesting CLEC.

VZ VA #40

ITEM: AT&T 1-41 Will Verizon's OSS accept an order to port a telephone number on a Saturday or Sunday? If not, why not. If the reason is systems-related, explain what alterations would be needed to permit such an order to flow through Verizon's systems, the estimated costs for such alterations and the estimated time of implementing such system modifications.

REPLY: Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

Verizon systems will accept an order to port a telephone number on a Saturday or Sunday and reassign the first subsequent business day, which would typically be a Monday unless it is a holiday. The confirmed due date will be the first business date subsequent to the weekend requested. Verizon business practices do not include assignment of weekend due dates. Because weekend due dates are not included in our business practices, Verizon has not assessed the modifications, cost, and implementation time frame to modify our systems to accept non-business day due dates.

VZ VA #41

ITEM: AT&T 1-42    Detail the times during which Verizon's Service Order Administration ("SOA") connectivity to NPAC is available for processing all required number portability activities.

REPLY:                Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

Verizon's Service Order Administration ("SOA") connectivity to NPAC is available for processing all required number portability activities all the time except industry agreed upon Service Provider maintenance windows.

VZ VA #42

ITEM: AT&T 1-43 Does Verizon-VA offer installations to any customers outside of business hours (Monday through Friday, 8:00 am – 5:00 pm). If so, under what rate, terms, and conditions? Are such off-hours installations limited to specific classes of customers? If so, please detail such limitations.

REPLY: Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

Verizon Virginia offers installations to customers during business hours. Upon request from a residential customer Verizon Virginia may provide out-of-hours installation based on workforce availability and the customer's acceptance of a premium installation appointment charge. Upon request from a business customer, Verizon Virginia will negotiate an out-of-hours installation based on advance notice from the customer, availability of appropriate workforce, and willingness by the customer to pay appropriate time and material rates. Depending on the requested time of the installation, the time and material rate could involve an overtime or premium rate.

VZ VA #43

ITEM: AT&T 1-44    What is the “Premium Installation Appointment Charge” listed in Verizon’s VA tariff [SCC Va. No. 203, Section 3 Original Page 2].

- 44.a    Which classes of customers are entitled to a “Premium Installation Appointment”?
- 44.b    What is the basis for the charge?
- 44.c    Provide all data showing how many customers request premium installation.
- 44.d    How many customers receive premium installation?
- 44.e    How many customers who receive premium installation cancel that installation at the door?
- 44f.    If the service is tariffed, but not currently offered, explain why it is tariffed?

REPLY:                    Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

- a. As stated in Verizon Virginia’s tariff, the Premium Installation Appointment Charge applies to the installation of local exchange service or WATS service for residential customers.
- b. Verizon Virginia applies this charge due to the likelihood that overtime pay is necessitated to perform such out-of-normal business hours work.
- c., d., e. The information requested is not readily available and would require an unduly time consuming and burdensome special study.
- f. Premium Installation Appointments are currently available.

VZ VA #44

ITEM: AT&T 1-47 Does Verizon confirm with NPAC that a port has been activated and completed prior to disconnecting the telephone number from its switch? If not, why not?

REPLY: Subject to its previously filed Objections and without waiver of same, Verizon Virginia responds as follows:

Verizon does not confirm with NPAC that a port has been activated and completed prior to disconnecting the telephone number from its switch. For non-coordinated LNP orders, Verizon works its disconnect orders from the due date confirmed with the requesting service provider. The service for these porting requests are disconnected after 11:59pm of the agreed upon due date. For LNP orders that are coordinated, Verizon disconnects the service after contacting the new service provider on the agreed upon due date and receiving the go ahead to complete the porting request.

VZ VA #47



Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of	)	
Petition of AT&T Communications of	)	
Virginia Inc., Pursuant to Section 252(e)(5)	)	CC Docket No. 00-251
of the Communications Act for Preemption	)	
of the Jurisdiction of the Virginia	)	
Corporation Commission Regarding	)	
Interconnection Disputes With Verizon	)	
Virginia Inc.	)	

**EXHIBIT 2 TO DIRECT TESTIMONY OF WILLIAM SOLIS  
(CONTAINS PROPRIETARY INFORMATION)**

**RECEIVED**

**JUL 31 2001**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY**

**In the Matter of )  
Petition of AT&T Communications ) CC Docket No. 00-251  
of Virginia, Inc., Pursuant )  
to Section 252(e)(5) of the )  
Communications Act, for Preemption )  
of the Jurisdiction of the Virginia )  
State Corporation Commission )  
Regarding Interconnection Disputes )  
with Verizon-Virginia, Inc. )  
)**

**DIRECT TESTIMONY OF  
ROBERT J. KIRCHBERGER  
ON BEHALF OF AT&T<sup>1</sup>**

ISSUES ADDRESSED	
I-9, I-2	May Verizon impose limits on AT&T prices?
VII-12, VII-14	Can the ICA simply reference industry billing guidelines which are subject to change?
I-11	May Verizon unilaterally terminate access to OSS if it believes AT&T has breached its obligations?
V-10	Must Verizon offer vertical features for resale on a stand-alone basis?
VII-1	Has AT&T changed its stance on network architecture issues?
VII-26	What charges should apply for a missed appointment when Verizon personnel on a service call on AT&T's behalf cannot access the customer's premises?
I-5	What are the appropriate terms and conditions to comprehensively implement the Commission's ISP Remand Order?  I.5.a. How should Verizon and AT&T calculate whether traffic exceeds a 3:1 ratio of terminating to originating traffic?

<sup>1</sup> This Affidavit is presented on behalf of AT&T Communications of Virginia, Inc., TCG Virginia, Inc., ACC National Telecom Corp., MediaOne of Virginia and MediaOne Telecommunications of Virginia, Inc. (together, "AT&T").

	<p><b>I.5.b. How should Verizon and AT&amp;T implement the rate caps for ISP-bound traffic?</b></p> <p><b>I.5.c. How should Verizon and AT&amp;T calculate the growth cap on the total number of compensable ISP-bound traffic minutes?</b></p> <p><b>I.5.d. How should the parties implement a Verizon offer to exchange all traffic subject to section 251(b)(5) at the rate mandated by the FCC for terminating ISP-bound traffic?</b></p> <p><b>I.5.e. What mechanisms should the parties utilize to implement, in an expeditious fashion, changes resulting from any successful legal appeals of the Commission's ISP Remand Order?</b></p>
<b>II-1(d)</b>	<b>Rate design for unbundled local switching</b>
<b>V.4</b>	<b>Should all calls originating and terminating within a LATA be subject to the same compensation arrangements without regard to end-user classification or type of traffic?</b>
<b>V.4.A &amp; V.3<sup>2</sup></b>	<b>Should reciprocal compensation provisions apply between AT&amp;T and Verizon for all traffic originating from UNE-P customers of AT&amp;T and terminating to other retail customers in the same LATA, and for all traffic terminating to AT&amp;T UNE-P customers originated by other retail customers in the same LATA?</b>

1

2

JULY 31, 2001

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<sup>2</sup> Issues V.4.A and V.3 are identical and were separately stated in AT&T's Petition in error.

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Robert J. Kirchberger. My business address is 295 North Maple  
3 Avenue, Basking Ridge, NJ.

4 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT POSITION?

5 A. I am employed by AT&T Corp., and I am a Director of Government Affairs in the  
6 Law and State Government Affairs Division.

7 Q. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES, AS WELL  
8 AS YOUR EXPERIENCE IN THE TELECOMMUNICATIONS  
9 INDUSTRY.

10  
11 A. I am responsible for presenting AT&T's regulatory advocacy on a broad range of  
12 issues in regulatory states across AT&T's eastern region, including Virginia.  
13 Recently I have also directed AT&T's participation in various industry  
14 collaborative work groups addressing Verizon's UNEs, OSS and performance  
15 measures and remedies. I have actively participated in state commission-  
16 sponsored oversight of the testing of Verizon's OSS in Pennsylvania, New Jersey  
17 and Virginia. I have testified, and/or participated in developing the written  
18 comments and testimony that AT&T has filed, in Pennsylvania, Maryland, West  
19 Virginia, New Jersey, The District of Columbia, Delaware, in addition to  
20 Virginia. I have also participated on AT&T's behalf in the negotiation and  
21 arbitration of the interconnection agreements with Verizon's predecessor, Bell  
22 Atlantic, in 1996 and 1997.

23 I have 32 years experience in the telecommunications industry -- 10 years  
24 with New Jersey Bell and more than 22 years with AT&T. Over that span I have

1 held positions of increasing responsibility in a number of areas, including  
2 management of local repair service centers and local switching offices,  
3 development of technical and tariff support for pricing and marketing of both  
4 New Jersey Bell's and AT&T's services, and management of customized  
5 offerings.

6  
7 **Q. WHAT ISSUES ARE YOU ADDRESSING IN YOUR TESTIMONY?**

8 A. Three issues that have been designated as Pricing Terms and Conditions (I-9,  
9 Price Caps on CLEC Services, and VII-12 and VII-14, which are issues Verizon  
10 has raised concerning billing detail); a UNE issue (I-11, whether Verizon can  
11 unilaterally terminate AT&T's access to Verizon OSS); a Resale issue (V-10,  
12 AT&T's right to obtain Verizon's vertical features for resale); and two issues that  
13 Verizon raised (VII-1, concerning the assertion that AT&T is attempting to  
14 circumvent negotiations of network architecture issues, and VII-26, concerning  
15 the compensation due Verizon when its technician cannot gain access to an ATT  
16 customer premises). I am also addressing an intercarrier compensation issue,  
17 specifically, the restatement of Issue I-5, concerning how the ISP Remand Order  
18 should be implemented in the interconnection agreement. Finally, I am also  
19 addressing an issue of UNE pricing, concerning the rate design for unbundled  
20 switching.

**ISSUE I.9, I.2** Can Verizon limit or control rates and charges that AT&T may assess for its services, facilities and arrangements?

**Q. HOW DOES VERIZON ATTEMPT TO PLACE CAPS ON THE CHARGES THAT AT&T MAY LEVY ON VERIZON?**

A. By including in its proposed contract terms limitations on the amounts that may be charged for certain elements or services that are essential for the interconnection of AT&T's and Verizon's networks and that AT&T is entitled to charge for the transport and termination of traffic. The most telling example is Verizon's proposed section 4.2.7, which states that "AT&T shall charge Verizon no more than a non-distance sensitive Entrance Facility charge as provided in Exhibit A for the transport of traffic from a Verizon POI to an AT&T-IP in any given LATA." Mr. Talbott will explain why this is a particularly onerous and unfair limitation on all CLECS, including AT&T; I address only the aspect of Verizon's assertion of its right to impose such a rate cap.

**Q. WHAT DOES VERIZON USE AS ITS JUSTIFICATION FOR THIS POSITION?**

A. It simply relies on the unremarkable right of the Commission to examine the reasonableness of any rate offered by any public entity operating in Virginia.<sup>3</sup> While that is undisputable, it is no support for the proposition that an incumbent provider of services in a market should be permitted to determine the prices that new entrants can charge the incumbent for comparable services in that market. Verizon's attempt to place such caps on the charges that AT&T can assess for its services, facilities and arrangements is not supported by the Act or the

1 Commission's rules. Moreover, Verizon's attempt to impose such caps  
2 unilaterally removes the market mechanism as a method to control prices and  
3 establishes Verizon, not appropriate regulatory bodies, as the authority over  
4 CLEC rates and charges.

5 **Q. WHY DO YOU MAINTAIN THAT VERIZON'S PROPOSAL IS NOT**  
6 **SUPPORTED BY THE ACT?**

7 A. It is my understanding that Section 251(c)(6) of the Telecommunications Act of  
8 1996 exclusively imposes on *incumbents*, such as Verizon, certain obligations  
9 concerning the cost of services provided to CLECs. The Act does not  
10 contemplate limiting a CLEC's pricing flexibility when the incumbent proposes to  
11 purchase services from the CLEC. There are no reciprocal pricing obligations  
12 which limit AT&T's charges for services, functions and facilities provided to  
13 Verizon, for obvious reasons. It is Verizon – not AT&T, not even all CLECs in  
14 the aggregate – that wield the dominant local exchange market power. There are  
15 no such limitations on CLEC pricing flexibility because there is no need for any:  
16 the market serves that function. It would be especially inappropriate to usurp that  
17 function by terms dictated by the incumbent/purchaser.

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<sup>3</sup> See Verizon Response to Statement of Unresolved Issues, at 176 (Issue I-9).

1 **ISSUE VII-12** Should the Parties' interconnection agreement be burdened with detailed  
industry billing information when the Parties can instead refer to the  
appropriate industry billing forum?

2 **ISSUE VII-14** Should the Parties' Agreement Address Industry Standard Billing  
Information In Great Detail?

3  
4 **Q. WHY DOES VERIZON OBJECT TO INCLUDING CERTAIN BILLING**  
5 **DETAIL IN THE INTERCONNECTION AGREEMENT?**

6  
7 A. It maintains that the parties can refer instead to the appropriate industry billing  
8 forum.<sup>4</sup>

9 **Q. ISN'T THAT TRUE?**

10 A. It is certainly true that there is an established industry forum, the Ordering and  
11 Billing Forum ("OBF"), that deals with billing matters industry-wide, and that  
12 members of the telecommunications industry, including both Verizon and AT&T,  
13 actively participate in that forum. But Verizon confuses the guidelines that  
14 emanate from OBF with the contract terms that AT&T seeks to ensure the  
15 accurate exchange of billing information with Verizon. The two concepts are not  
16 inconsistent and can co-exist; indeed they do in the current interconnection  
17 agreement between Bell Atlantic and AT&T.<sup>5</sup>

18 **Q. WHY DOES AT&T NEED MORE THAN THE OBF GUIDELINES FOR**  
19 **CERTAIN BILLING TERMS?**

20  
21 A. Because there are certain elements of billing information that need to be  
22 exchanged, such as, for example, Carrier Information Codes, and that AT&T

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<sup>4</sup> See Verizon Supplemental Statement of Unresolved Issues, at 41-43 (Issues VII-12 and VII-14).  
<sup>5</sup> See, e.g., Attachment 6, § 1.1 to existing AT&T-BA interconnection agreement, Attachment C to  
AT&T's petition for arbitration herein.



1 needs to be able to rely upon being able to receive from Verizon. There is no  
2 guarantee that any industry member will observe any particular OBF guideline,  
3 and the intent of AT&T's proposal is to establish a contract obligation to buttress  
4 the OBF guidelines.

5  

<b>ISSUE I.11.</b> May Verizon summarily terminate AT&T's access to OSS for AT&T's alleged failure to cure its breach of obligations concerning access to OSS per Schedule 11.6?
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6  
7 **Q. WHAT DOES VERIZON PROPOSE IN THE EVENT OF A BREACH OF**  
8 **THE TERMS OF ACCESS TO ITS OSS?**

9  
10 A. Verizon has proposed the right summarily to terminate such access if AT&T has  
11 been determined by Verizon to have breached the terms and conditions of its  
12 access. This is overbroad and overreaching. The adverse consequences to  
13 AT&T's ability to conduct business that such a draconian remedy would produce  
14 far surpass any conceivable harm that would accrue from any such breach.  
15 Moreover, AT&T has every incentive to protect Verizon's OSS without the threat  
16 of being unable to conduct business.

17  
18 **Q. WHY DOES VERIZON CONTEND THAT IT SHOULD BE ENTITLED**  
19 **TO HAVE THIS RIGHT?**

20  
21 A. Verizon contends that it needs the right to protect access to its OSS, a point that  
22 AT&T does not dispute. But the agreed language in other sections of the contract  
23 contain more than adequate remedies for Verizon to do so. Verizon has available  
24 to it numerous remedies to cure any alleged breach by AT&T.<sup>6</sup> Moreover, if  
25 Verizon detects interference, impairment or other harms in its OSS, such harms